MINISTER OF STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING, DEPARTMENT OF PENSIONS AND PENSIONERS WELFARE OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRIMATI VASUNDHARA RAJE): (a) In spite of the good performance of the small scale industries sector, during the last few years, both in terms of growth and export performance, the problems of threatened technological obsolescence, managerial and marketing deficiencies and inadequacy of access to information do exist.

(b) Yes, Sir.

(c) A comprehensive strategy of training, product development, technology upgradation and marketing assistance for the small scale industries sector has been adopted. In addition, a Credit Guarantee Scheme is to be launched shortly.

Dilemma over ST payment of Aviation Turbine Fuel

*375. SHRI SANJAY NIRUPAM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government's attention has been drawn to the news-item which appeared in the Hindustan Times dated 6th December, 1999 captioned "Oil majors in a dilemma over ST payment on aviation turbine fuel";

(b) if so, Government's reaction thereto;

(c) the details of agreement with various airlines on this issue; and

(d) the corrective measure proposed in this regard?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK): (a) Yes, Sir.

(b) to (d) Air Services Agreements signed by the Government with other countries (93 in all) have an article which provides, on reciprocal basis, either.

(i) grant of outright exemption from payment of custom duties, local duties etc. on Aviation Turbine Fuel and other items uplifted by aircraft of one Contracting Country from the territory of the other Contracting Country.

Or

(ii) grant of most favoured nation treatment in these matters to the airlines of the Contracting Countries.

Sales tax is a state subject. There is no provision to reimburse under-recoveries of sales tax from the oil pool account. Necessary corrective measures in this direction are taken by the Government through inter-Ministerial consultations and consultations with the State Governments from time to time.

Employment Terms of Contract Employees of EIL

*376. SHRI GOPALSINH G. SOLANKI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have received representations from the Engineers India Limited (EIL) Contract Employees association for review of employment terms and conditions in respect of the contract employees; and

(b) if so, the broad demands of the Association and reaction of Government to their individual demands?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK): (a) yes, Sir.

(b) Main demands of the Association are:

(i) Reinstatement of contract employees whose contractual appointments have been terminated.

(ii) Absorption of contract employees in the regular service of the Company.

Separate civil suits were filed in the High Court of Gujarat by individual contract employees of EIL challenging their non-continuation in the service of the Company on expiry of period of their